

Introduction

State legitimacy is one of the key topics in discussing state building. State legitimacy is defined as “the extent that people regard the state as satisfactory and believe that no available alternative would be vastly superior” (OECD, 2010, p.). In other words, the concept means “people accept the state’s fundamental right to rule over them” (McLoughlin, 2014, p.). State legitimacy is crucial to a state’s survival because it indicates the level of tolerance and consent from the people towards the state’s authority. McLoughlin (2014) stresses that “legitimacy crises often precipitate periods of intense political contestation or violent conflict” (p.). Civil wars in Syria, Yemen, and Libya are examples in point of the state losing its legitimacy. While there are many sources of legitimacy, OECD (2010) identifies four main sources: Input or process legitimacy, which is tied to agreed rules of procedure; Output or performance legitimacy, defined in relation to the effectiveness and quality of public goods and services; Shared beliefs, including a sense of political community, and beliefs shaped by religion, traditions and “charismatic” leaders; and International legitimacy, for example recognition of the state’s external sovereignty and legitimacy.

This research is an attempt to quantitatively test the second relationship between state legitimacy and state development both in economy, politics, and society. The dependent variable is Legitimacy. The independent variables include Performance of Democratic Institutions, Civil Participation, GDP per Capita, and Human Development Index. The research is expected to prove the following hypothesis: a state with better performances in macro issues is more likely to enjoy a higher level of legitimacy. Data is taken from the Quality of Government Institution at the University of Gothenburg, Sweden.

Literature Review

Defining State Legitimacy, the “Empty Legitimacy”. State legitimacy is one of the key concepts in studying state building. There is no specific meaning of the word legitimacy, but there are words and concepts that reflect and are associated with the word “legitimacy”. In this case, common words and concepts that can be found are trust, consensus, tolerance, approval, effectiveness, and power. David Easton’s (1965) classic ‘system theory’ of politics argues that the legitimacy of democratic political systems depends on how much citizens trust their government to do what is right most of the time. Easton’s definition is more normative and subjective, thus, to a certain extent, it may serve as a larger umbrella to discuss state legitimacy from the state’s clients’ perspective. Mcloughlin (2014) defines state legitimacy as the people’s acceptance of “the state’s fundamental right to rule over them” (p.). The state, thus, has the power to rule over the population without facing resistance. However, this definition does not clarify the monopolistic trait of the state. The word “fundamental” indicates power as the first privilege, yet does not explicitly refer to the monopoly of power.

Wesley (2008) argues that state legitimacy is seen as “flowing ultimate from the state’s effectiveness” (p.). This definition is shared by a number of scholars when we talk about sources of legitimacy. Nevertheless, legitimizing state by its “effectiveness” indicates a rational approach in state building. By calculating the effectiveness of the state, the population has the right to evaluate the regime and bestow the regime with legitimacy right. Gilley (2006) defines state legitimacy in a moral perspective from the subjects’ point of view in which he states that “a state is more legitimate that it is treated by its citizen as rightfully holding and exercising political power” (p.). This point does not determine how effective the state is, but how moral it is in practicing its power. This definition provides a more moral and normative platform to define legitimacy. A state can build its legitimacy by upholding moral and ethical principles.

In sum, the word legitimacy, or more specifically state legitimacy, cannot be defined without relating to other words. In another way, the word does not carry the meaning itself. Defining state legitimacy means listing what makes a state legitimate and what a legitimate state could do with its power. In this paper, I adopt the definition provided by OECD (2010) which states that state legitimacy is “the extent that people regard the state as satisfactory and believe that no available alternative would be vastly superior.” There are two advantages of adopting this definition. First, the definition indicates “satisfactory” element of the population towards state’s performances. Second, it also indicates the level of trust for the state among the population. In the following parts, I will dig deeper into sources of state legitimacy and what are the determinant factors of state legitimacy.

Sources of state legitimacy. Max Weber suggests that there are three sources of state legitimacy: tradition, charisma, and legality. Traditional legitimacy arises from the faith that people have in a particular political authority because it has been there for a long time. This type of legitimacy can be found in the monarchic system and tribal societies. Charismatic legitimacy is more personal when the state legitimacy centralizes in one figure or their rulers. The people are bound to that person by her abilities and ideology. Revolution leaders often create a charismatic legitimacy throughout the country’s struggle to gain and consolidate their power. The last source of legitimacy that Weber suggests is legality. By legality, Weber means the rationality of the rule of law of the state. This last source of legitimacy indicates a social contract among rational actors. It thus faces the same limitation of assuming all political actors are rational. Weber’s three sources of legitimacy appear to overlook the surface of the concept: how to measure legitimacy.

In a more or less similar manner, other scholars also try to suggest sources of different types of state legitimacy. Gippert (2016) defines legitimacy as “a social phenomenon that depends on the individual or collective interaction between the rule-giver and the rule-recipient” (p.). He goes further and distinguishes two sides of creating legitimacy: processes of legitimation and perceptions of legitimacy. Gippert argues that there are two sources of legitimacy. The first one is procedural legitimacy which he argues to “arise when the exercise of authority matches the individual’s normative benchmarks about how such an exercise should work” (p.). This source can be risky to the state’s security with regards to majority dominance and elite corruption. The state may try to please one certain group and violate fundamental rights of another group. The United States politics is an example in point. Two main parties, the Democratic and Republican, only hold their respective legitimacy within their support base. The second type of legitimacy is output-oriented legitimacy. Gippert suggests that “output-oriented legitimacy arises from the ends of which a system works” (p.). This approach reflects more of a Kantianism element of state legitimacy when the ends justify the process. We can see this type of legitimacy in emerging economies or newly industrialized states including South Korea, Singapore, Taiwan, China, and Vietnam.

The OECD report (2010) about state legitimacy and state fragility serves a summary of the discussion on sources of state legitimacy. The 2010 report identifies four main sources of legitimacy:

1. Input or process legitimacy, which is tied to agreed rules of procedure;
2. Output or performance legitimacy, defined in relation to the effectiveness and quality of public goods and services (in fragile situations, security will play a central role);

3. Shared beliefs, including a sense of political community, and beliefs shaped by religion, traditions and “charismatic” leaders;
4. International legitimacy, i.e. recognition of the state’s external sovereignty and legitimacy.

In this paper, I adopt these four categories for the sake of employing the appropriate methodology and examining my theory which will be represented in the later parts. The advantage of adopting these four categories is that they are inclusive and comprehensive. Within the four categories, I can find normative elements of state legitimacy, as well as the descriptive elements. The categories work for both institutionalists and economists. With the definition and sources of state legitimacy laid out, it is equally important to understand why legitimacy is crucial to state building and state’s survival.

The role of legitimacy. Gilley (2006) suggests that “political legitimacy is a major determinant of both the structure and operation of the states” (p.). Without having legitimacy, the state cannot acquire the population’s support. Frickel and Davison (2004) further argue that “the central position of legitimacy” is to maintain the nation-state’s highest position. Declining legitimacy is considered as a signal of internal instability and domestic violence. As a state is failing, it leads to further regional instability which is a significant threat to neighboring states. In a larger scale, it may lead to humanitarian crises, influencing the global political affairs. Legitimacy, thus, decides the survival of a state, which results in the ultimate power of the people in sustaining a state. This, in a broader sense, gives us hopes for positive political development.

Previous research. Gilley (2006, 2012) conducts “a quantitative measurement of the political legitimacy of states in the late 1990s and early 2000s for 72 states containing 5.1 billion people, or 83 percent of the world’s population.” Gilley measures legitimacy “using a constitutive

(cause) or substitutive (effect) approach” (2006, p.505). The state legitimacy factors are views of legality, views of justification, and acts of consent. Gilley examined 72 countries in 2006. In 2012, he updated 52 countries. Based on different indicators, Gilley comes up with a ranking system for state legitimacy. As Gilley mentions in his study his “legitimacy measurement is composed half of attitudinal indicators and half of behavioral indicators, distinguishing it from purely attitudinal measures” (2012, p. 695). My research is a built this research but aimed at answering how to reversely test the relationship between state legitimacy and its determinants.

Theoretical Framework and Hypothesis

In this paper, I adopt the rational actor approach which states political actors would always utilize their interests. I focus on measuring state legitimacy through population’s satisfaction, assuming that state performance in macro-issues would enhance the population’s satisfaction and as a result enhance the state legitimacy. As the second source of legitimacy demonstrates the ability of the state to perform and resolve public issues, for example, security, education, and economic management, it is expected that macro-issues management has a positive relationship with state legitimacy.

Although we define legitimacy as “the extent that people regard the state as satisfactory and believe that no available alternative would be vastly superior,” unfortunately, we could not find data for such normative evaluation. Instead, we employ Gilley’s constitutive approach. Instead of measuring state legitimacy directly from the population, in this paper, we focus on measuring state legitimacy through population’s satisfaction but assuming that all involved actors are rational. By rational, it means people would always choose to maximize their utility. Therefore, state performance in macro-issues would enhance the population’s satisfaction and as a result, enhance the state legitimacy. For each of the legitimacy factor, Social, Political,

Economic, and Security, if a state scores high, according to our assumptions, the population will perceive the state as legitimate.

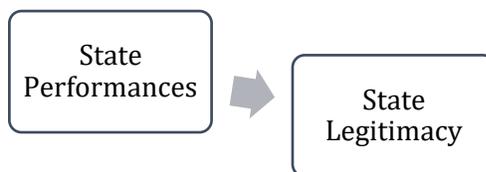


Figure 1. Causal Relationship Between State Performance and State Legitimacy

The hypothesis to be tested is: A state with better performance in economic, social, and political developments is more likely to have a higher level of legitimacy.

Research Design

I take the data from the dataset compiled by Jan Teorell, Stefan Dahlberg, Sören Holmberg, Bo Rothstein, Anna Khomenko, and Richard Svensson at the University of Gothenburg. It consists of approximately 2500 variables from more than 100 data sources. In the QoG Standard CS dataset, data from and around 2013 is included. Data from 2013 is prioritized, however, if no data is available for a country for 2013, data for 2014 is included. If no data exists for 2014, data for 2012 is included, and so on up to a maximum of +/- 3 years. In the QoG Standard TS dataset, data from 1946 to 2016 is included and the unit of analysis is country-year (<http://qog.pol.gu.se/data/datadownloads/qogstandarddata>).

In order to examine my theories and hypotheses, I extract the following variables from the dataset. I take a primary dependent variable: Legitimacy. In details, Legitimacy is a “sum of scores in four performance dimensions: Security, Political, Economic, and Social Legitimacy (12 points possible, the higher the score is, the less legitimate the state is)” (p. 148). In particular, Security Legitimacy Score is a measure of state repression from 1999-2012 by Mark Gibney, Linda Cornett, and Reed Wood (Political Terror Scale, www.politicalterrorsscale.org). Economic Legitimacy Score is the share of export trade in manufactured goods, 1998-2012 taken from UN

Development Programme (Structure of Trade, 2014), and World Bank (World Development Indicators (WDI), 2014). Merchandise exports include two classes of products: manufactured goods and primary commodities; low percentage of manufactured goods indicates a high reliance on primary commodities for foreign exchange.

Social Legitimacy Score measures human capital care in 2013 taken from the US Census Bureau, International Data Base, 2014, (IDB; www.census.gov/ipc/www/idb). This indicator is based on the infant mortality rate (number of deaths of infants under one year of age from a cohort of 1,000 live births), with values converted to a four-point fragility scale based on the upper cut-points of the lower three quintiles of the infant mortality rates in the baseline year, 2004. Political Legitimacy measures regime/governance inclusion in 2013. The data is extracted from Polity IV (2013); Ted Robert Gurr, Monty G. Marshall, and Victor Asal, *Minorities at Risk Discrimination 2013* (updated by Monty G. Marshall); and Ted Robert Gurr and Barbara Harff, *Elite Leadership Characteristics 2013* (updated by Monty G. Marshall).

To test the theory and hypothesis, I include 5 dependent variables to measure the performance of the state in macro-issues. The first independent variable is Performance of Democratic Institutions which addresses the question whether or not “democratic institutions capable of performing on a scale from 1 to 10 in which 1 means there are no democratic institutions as such (authoritarian regime); 4 means democratic institutions exist, but they are unstable and ineffective; 7 means democratic institutions perform their functions in principle, but often are inefficient due to friction between institutions; and 10 means the ensemble of democratic institutions is effective and efficient. As a rule, political decisions are prepared, made, implemented, and reviewed in legitimate procedures by the appropriate authorities” (p.114). Second, Civil Participation is used as an indicator for political development in a state.

These two variables are collected from Bertelsmann Stiftung’s Transformation Index. Third, economic development is measured by two variables, GDP per Capita and GDP growth rates (annual %). To measure social development, I employ Human Development Index. These variables are taken from World Bank Data and UNDP reports. For state security, I use Fragile State Index. Fragile States Index includes “an examination of the pressures on states, their vulnerability to internal conflict and societal deterioration” through 12 indicators. For each indicator, the ratings are placed on a scale of 0 to 10, with 0 being the lowest intensity (most stable) and 10 being the highest intensity (least stable). The total score is the sum of the 12 indicators and is on a scale of 0-120” (p.281).

As all of our variables are measured at interval level and based in the same year, to analyze the relationship between state legitimacy and state performances, I employ ordinary least squares (OLS) method in running regression analysis.

Operationalization and Findings

Testing the second theory and hypothesis: State Legitimacy and State Performance Indicators.

I run the regression analysis by using OLS and the results are as follows. The VIF test does not show a significant level of multicollinearity (VIF=3.25). I also run the *imtest* to test the existence of heteroskedasticity in the model, the result shows the opposite.

Independent Variables	Coefficients	p-value	Standard Errors
Performance of Democratic Institutions	-.1675936	.120	.1069971
Civil Participation	.071593	.603	.1372938
GDP per capita	.0000523**	.002	.0000163
GDP growth rates	-.0091689	.743	.02794
Human Development Index	-1.544594	.392	1.797343
State Fragile Index	.1277003***	.0172018	.000
N=123		Adj R-squared = .7147	
* p<.05; ** p<.01; *** p<.001			

Legitimacy shares a strong positive relationship with GDP per capita and State Fragile Index. In particular, the results indicate that

1. The higher GDP per capita, the less legitimate the state appears to be.
2. The more fragile the state is, the less legitimate it becomes.

My theory does not support the first finding. As I argue state's better performance in the economy, politics, and social issues will make the state more legitimate. The finding indicates the opposite argument. A significant relationship is found only between GDP per capita and Legitimacy. However, my theory supports the second finding. State fragility shares a significantly negative relationship with state legitimacy. This makes sense because as the state loses its control and power as a fragile state, it loses legitimacy.

Conclusion and Future Research

This yields a positive outcome of the research, but also raises questions of how to improve it. According to our theory and the literature review, state legitimacy should share a significantly positive relationship with state performance in macro issues. The results do not fully justify the theory and the literature. Some problems can be addressed are:

1. The measurement of state legitimacy. The two dependent variables yield different significant relationships but share the same result for the effectiveness of the state. Future research should consider how legitimacy is measured. Given that state legitimacy is perceived as normative within the population, having a different way of measuring state legitimacy may serve a better starting point.
2. If I can come up with a more accurate measurement of state legitimacy, testing the theory may yield a different set of results. Performance of Democratic Institutions has a negative correlation with state legitimacy, which needs more study. Does it indeed

have a negative or positive correlation? The mainstream theory would argue that state legitimacy has a positive correlation with democratic institutions. However, considering different sources of state legitimacy, this may not be correct.

3. Independent variables can be improved to include more specific output-oriented variables, for example, public service, education, and military capacity.

This research is an attempt to have a first-hand quantitative examination of state legitimacy and sources of state legitimacy. It focuses on the second source of state legitimacy: output. The findings yield inconsistent results, yet are encouraging for future study on state legitimacy.